



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE  
FISCAL REVIEW COMMITTEE**

320 Sixth Avenue, North – 8<sup>th</sup> Floor  
NASHVILLE, TENNESSEE 37243-0057  
615-741-2564

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Doug Jackson      Ken Yager  
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Craig Fitzhugh, *ex officio*  
Speaker Kent Williams, *ex officio*

**M E M O R A N D U M**

**TO:** The Honorable Dave Goetz, Commissioner  
Department of Finance and Administration

**FROM:** Bill Ketron, Chairman, Fiscal Review Committee *BK*  
Charles Curtiss, Vice-Chairman, Fiscal Review Committee *CC*

**DATE:** June 2, 2010

**SUBJECT:** **Contract Comments**  
(Fiscal Review Committee Meeting 6/2/10)

**RFS# 318.66-05508**

**Department: Finance & Administration/Bureau of TennCare**

**Contractor: Volunteer State Health Plan – West Tennessee Region**

**Summary: The vendor is responsible for the provision of medical and behavioral health services to TennCare enrollees in West Tennessee. The proposed amendment adds language to comply with the Annual Coverage Assessment Act of 2010; creates new method for adjusting the long-term care component of the base capitation rate; and adds new liquidated damages.**

**Maximum liability: \$1,491,532,800**

**Maximum liability w/amendment: \$1,491,532,800**

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: The Honorable Darin Gordon, Deputy Commissioner  
Mr. Robert Barlow, Director, Office of Contracts Review